



National Livestock Producers Association

July 1, 2005

Regulatory Analysis and Development
PPD, APHIS, Station 3C71
4700 River Road; Unit 118
Riverdale, MD 20737-1238

Re: Docket No. 05-015-1

To Whom It May Concern:

The National Livestock Producers Association (NLPA) is the national organization of livestock marketing cooperatives and their affiliated livestock credit corporations. Annually, NLPA member organizations market nearly 7 million head of livestock for some 200,000 livestock producer patrons, and lend over \$500 million for livestock production.

NLPA supports the U.S. Department of Agriculture, Animal and Plant Health Inspection Service, Veterinary Services' efforts toward implementing the National Animal Identification System (NAIS), and supports that this system be used across animal agriculture for safeguarding the health of the U.S. herd and flock. NLPA also encourages all stakeholders to remain engaged in NAIS by providing input through the NAIS Subcommittee of the Secretary's Advisory Committee on Foreign Animal and Poultry Diseases and other designated forums.

Pertaining to specific questions posed in the docket regarding the Draft Strategic Plan, NLPA offers the following comments:

1. Is a mandatory identification program necessary to achieve successful animal disease surveillance, monitoring, and response system to support Federal animal health programs?

Although NLPA is opposed to additional regulation and intrusion into business by government, in order for the NAIS to be truly effective full compliance is crucial. If only a portion of animals are identified and tracked, the whole system is flawed and ineffective. However, if made mandatory, special care should be taken to ensure all segments of the industry are treated fairly and not put at a competitive or financial disadvantage.

2. At what point should animals be required to be identified and how should compliance be assured?

Animals should be required to be identified before they leave their original premises of origin. At a determined point in the future of the NAIS, enforcement of identification requirements must be utilized to ensure compliance. However, livestock markets should not be put in the position of enforcing this requirement, as it would put them at a severe competitive disadvantage. Further,

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NLPA feels it is necessary that all cattle should be individually identified, as well as any other species that have any opportunity to commingle with other animals during their lifetime.

3. Is it a viable option to allow livestock markets or other locations to provide tagging services in the event a producer does not have the facilities to do so?

It is a viable option for livestock markets to provide tagging services, however such services must not be required of the market. The decision to offer such services must rest solely with the market operator and fee for providing such service must be allowed.

4. In what manner should compliance of animal movement reporting regarding direct sales of livestock between a seller and a buyer be monitored?

As specified in the plan, the receiving premises should bear the responsibility of reporting animal movement. This would conform to other types of animal movement requirements and responsibilities within the plan and not put fixed facilities at a competitive disadvantage. In addition, the receiving premises would not have to divulge its Premises Identification Number (PIN) to the seller and there would be a lesser chance for human error in entering information. As for inputting information into the NAIS system, it is imperative that a very accessible platform for data transmission is provided by NAIS that does not cost the provider of data a fee for uploads.

5. Should animals be identified anytime prior to entering commerce or being commingled with animals from other premises?

Animals should absolutely be identified prior to being commingled or entering into commerce or else the entire NAIS will become ineffective. The key to rapid and accurate trace-backs and trace-forwards is the ability to determine the suspect animal's location at any given time in its life as well as other animals it may have come in contact with. An animal's age should not have a bearing on whether it should be included in the system. Animals of all ages may carry disease agents.

6. Are the timelines for implementation the NAIS realistic?

In NLPA's view, the primary variables concerning the timeline for NAIS implementation are adequate public and private funding, viable technology for data collection, and adequate outreach to stakeholders in order to inform them of the system requirements and responsibilities. Although the benefits of the NAIS seem apparent (the ability to rapidly trace an animal's movements and those of its cohorts), the cost of such a system may be greater than those benefits unless implemented properly.

To equip for such an implementation, our markets are going to be required to invest in technology, expertise, and facility modifications. Federal and State funds should be made available in these areas in order to reduce the burden on the private sector. NLPA feels it is appropriate that a public-private funding partnership be put in place to assist in the development of the needed infrastructure if any reasonable timeline is considered.

The availability of proven data-collection technology is a must if timely implementation is anticipated. To date, little information has been provided to the industry regarding the types and adequacy of data collection technologies (readers) available. USDA must direct immediate and adequate funding in this area through current cooperative agreements as well as in direct investment in order to assure the data needed to make the NAIS successful can be captured "at the speed of commerce."

Finally, if the majority of the stakeholders are not informed properly as to the requirements and their responsibilities associated with the NAIS, implementation will most certainly be delayed.

Therefore, although the timelines illustrated in the Draft Strategic Plan seem somewhat aggressive, it is important to the U.S. livestock industry that we maintain consumer confidence in our products and a strong animal health monitoring system in integral to maintaining that confidence.

7. Should requirements for all species be implemented within the same timelines?

The true value of the NAIS rests in being able to track animals, regardless of species, in order to protect animal health. It is important that all species adhere to the requirements of the NAIS as soon as practical, although some flexibility is necessary due to the unique challenges faced by each group. For example, the sheep industry is faced with the issue of inadequate and costly technology for rapid data collection, however it is important that sheep quickly become a part of the NAIS since there is, in many cases, much commingling of sheep and cattle in the Western U.S. Therefore, the NAIS will not be very effective, or equitable, if all species are not included as soon as possible.

8. What are the most cost-effective and efficient ways of submitting information to the NAIS database?

NLPA feels strongly that there should be various ways in which data may be provided to the NAIS. In the case of our markets, there should be a simple interface available that will rapidly accept data that will not require them to have to subscribe to any data-provider services unless they choose to. Beyond that, producers at every level should be afforded choices in the area of data transmission so that their particular management system is not impeded any more than necessary.

9. What specific information should be protected from public disclosure and access?

NLPA feels that all information pertaining to a producer's, or other stakeholder's business and personal information should be fully protected from public access as well as access by other agencies of government not directly involved in bona fide animal health monitoring programs. This includes, but is not limited to information specifying location of operations, location of animals, movement of animals and numbers of animals reported to the NAIS.

10. How could the burden of animal movement reporting be minimized?

NLPA feels the simplest way to minimize the animal movement reporting burden is to only require the premises receiving the animal to report the movement. This does not preclude the

seller to also report the animal has left his premises, nor does it preclude a marketing agent, livestock market, or other facilitator to report the movement as a service to the receiver of animals. However, ultimate responsibility must be assigned and it seems only logical that the receiving premises should bear that responsibility.

Regarding the questions posed in the Docket related to the utility of a private database for holding animal location and movement data, NLPA offers the following comments:

1. How should a private database be funded?

NLPA has serious concerns with the issue of private v. public databases. Although much has been made of the purported increased security and confidentiality of private databases, it has not been proven one way or the other that being held in private hands makes the data safer. NLPA is further concerned that our member markets may have to incur higher costs if required to report to a private database.

2. Should the NAIS allow for multiple privately managed databases?

Opportunities for the private sector in facilitating the NAIS should not be reduced any more than necessary as competition makes any process better. However, based on information to date, there is not a compelling argument for privately held databases, as opposed to a public database, that leads NLPA to feel private databases should be allowed as the official repository of information.

3. Should a public (government) system be made available as well as a privately managed system so that producers would have a choice?

NLPA is concerned that our member markets may find themselves in the position of either having to report movements to more than one system at the end of the day, or having to incur additional costs as a result of being required to subscribe to various services in order to serve their customer base. Therefore, a centralized database is preferable to NLPA members.

4. Should a privately managed system include all species?

The purpose of the NAIS is to serve any and all species in order to create an efficient and congruent system. If private database managers want to be a part of the system, they should be required to handle multi-species.

5. Would either system work equally well at the State level?

NLPA is not in a position to comment on this question as there are too many variables and unknowns that are involved.

In conclusion, NLPA reiterates that additional and adequate funding to complete premises registration and develop data collection capabilities required to implement NAIS. Without financial assistance, livestock markets and other livestock concentration points that will be required to collect data on animal movement will be burdened with substantial financial costs

during implementation and on an on-going basis. This will most certainly slow the implementation of the NAIS unless adequate incentives are provided.

We appreciate the opportunity to submit these comments on the draft strategic plan for NAIS.

Sincerely,

A handwritten signature in black ink, reading "Scott Stuart". The signature is written in a cursive, flowing style.

R. Scott Stuart, CEO
National Livestock Producers Association